

Payroll Processes

QUICK REFERENCE GUIDE

Pre-Tax Retirement Refund

Retirement refunds

Retirement refunded because employee did not average 100 hours per month (this can be an active or inactive employee).

Steps for Agency HR Administrator

1. Agency is notified of a return of funds by the retirement system and an ITA transaction is used to return funds to the agency.
2. The **HR Administrator** will promptly complete a positive Manual Adjustment to create a check for the employee. The amount of the refund will be the GROSS. Social Security and Medicare should be withheld against the GROSS. The NET amount of the positive manual adjustment should be the gross value of the refund less the employee's portion of Social Security and Medicare. The positive Manual Adjustment is to be submitted via business request. Please access the most current version of the form from the Personnel Cabinet website.

Steps for Personnel Cabinet

The **Personnel Cabinet** will update KHRIS for the refund and FICA paid.